

## STATEMENT OF PURPOSE

RS29236 / H0480

The purpose of this proposed legislation is to clarify the scope of a sales tax exemption available for "personally owned" vehicles and other property brought to Idaho by new residents of the state, and specifically to confirm that "personally owned" property includes property owned through a grantor trust. For all practical purposes, and for income tax purposes, property owned by a grantor trust is treated as owned "personally" by the individual. This bill will resolve disputes between taxpayers and the State Tax Commission that have arisen over this question.

## FISCAL NOTE

There is no fiscal impact of this bill if it is recognized that property held in grantor trusts already meets the requirement of the statute that the property must be "personally owned," and that this bill is a clarification and confirmation of that conclusion. Additionally, it is probable that prior Idaho Supreme Court decision would uphold the result that this amendment clarifies. Therefore, this amendment would eliminate audit and other staff time and the cost of appeals. If that were not the case, the fiscal impact would still be de minimus.

### Contact:

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**DISCLAIMER:** This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).